

## LEGISLATIVE BILL 1016

Approved by the Governor March 28, 2014

Introduced by Krist, 10; Bloomfield, 17.

FOR AN ACT relating to state government; to amend section 3-106, Reissue Revised Statutes of Nebraska, and section 84-612, Revised Statutes Supplement, 2013; to direct the purchase and sale of certain aircraft for state government; to provide for an hourly rate for use of a state aircraft; to change powers and duties of the Department of Aeronautics; to state intent; to require reports as prescribed; to provide for a transfer of funds from the Cash Reserve Fund to the General Fund; to repeal the original sections; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,

Section 1. The Executive Board of the Legislative Council pursuant to the authority granted in Laws 2013, LB194, section 9, commissioned an independent study to enable the Legislature to determine whether the state should purchase or otherwise acquire an aircraft for state purposes and what type of aircraft should be acquired, if any. After completion and review of the study, the Legislature authorizes the Department of Aeronautics to purchase a new aircraft. It is the intent of the Legislature to fund the purchase with General Funds and other funds. The Legislature also directs the department, upon taking possession of a new aircraft, to sell the state's 1982 Piper Cheyenne aircraft, with the proceeds retained by the department for use for preventive maintenance funding for the new aircraft.

Sec. 2. Section 3-106, Reissue Revised Statutes of Nebraska, is amended to read:

3-106 (1) Suitable offices shall be provided for the department in the State Capitol. It may maintain offices at such other places in the state as it may designate and may incur the necessary expense for office furniture, stationery, printing, and other incidental or necessary expenses for the enforcement of sections 3-101 to 3-154 the State Aeronautics Department Act and the general promotion of aeronautics within the state.

(2) The department may purchase aircraft for the use of the department. Such state government and may sell any state aircraft that is not needed or suitable for state uses. State aircraft shall be subject at all times to the written orders of the Governor for use and service in any branch of the state government. The department shall establish an hourly rate for use of a state aircraft by a state official or agency. The hourly rate shall not include an amount to recover the cost of acquisition by purchase, but shall include amounts for items such as variable fuel and oil costs, routine maintenance costs, landing fees, and preventive maintenance reserves, with the expense thereof to be paid by the department. It

(3) The department may employ such clerical and other employees and assistants as it may deem necessary for the proper transaction of its business.

(4) It is the intent of the Legislature that the use of state-owned, chartered, or rented aircraft by the department shall be for the sole purpose of state business. The department shall electronically file with the Clerk of the Legislature a quarterly report on the department's use of all state-owned, chartered, or rented aircraft that includes the following information for each trip: The name of the agency or other entity traveling; the name of each individual passenger; all purposes of the trip; the destination and intermediate stops; the miles flown; and the duration of the trip.

Sec. 3. Section 84-612, Revised Statutes Supplement, 2013, is amended to read:

84-612 (1) There is hereby created within the state treasury a fund known as the Cash Reserve Fund which shall be under the direction of the State Treasurer. The fund shall only be used pursuant to this section.

(2) The State Treasurer shall transfer funds from the Cash Reserve Fund to the General Fund upon certification by the Director of Administrative Services that the current cash balance in the General Fund is inadequate to meet current obligations. Such certification shall include the dollar amount to be transferred. Any transfers made pursuant to this subsection shall be reversed upon notification by the Director of Administrative Services that sufficient funds are available.

(3) In addition to receiving transfers from other funds, the Cash Reserve Fund shall receive federal funds received by the State of Nebraska for undesignated general government purposes, federal revenue sharing, or general

fiscal relief of the state.

(4) On July 7, 2009, the State Treasurer shall transfer five million dollars from the Cash Reserve Fund to the Roads Operations Cash Fund. The Department of Roads shall use such funds to provide the required state match for federal funding made available to the state through congressional earmarks.

(5) The State Treasurer shall transfer a total of thirty-seven million dollars from the Cash Reserve Fund to the General Fund on or before June 30, 2012, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(6) The State Treasurer shall transfer a total of sixty-eight million dollars from the Cash Reserve Fund to the General Fund on or before June 30, 2013, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(7) The State Treasurer, at the direction of the budget administrator of the budget division of the Department of Administrative Services, shall transfer not to exceed twelve million dollars in total between July 1, 2011, and November 30, 2012, from the Cash Reserve Fund to the Ethanol Production Incentive Cash Fund, for ethanol production incentive credits, on such dates and in such amounts as certified by the Tax Commissioner.

(8) The State Treasurer, at the direction of the budget administrator of the budget division of the Department of Administrative Services, shall transfer an amount equal to the total amount transferred pursuant to subsection (7) of this section from the Ethanol Production Incentive Cash Fund to the Cash Reserve Fund in such amounts as certified by the Tax Commissioner on or before November 30, 2012.

(9) The State Treasurer, at the direction of the budget administrator of the budget division of the Department of Administrative Services, shall transfer eighty million dollars from the Cash Reserve Fund to the Nebraska Capital Construction Fund on or before August 15, 2012.

(10) The State Treasurer, at the direction of the budget administrator of the budget division of the Department of Administrative Services, shall transfer one million dollars from the Cash Reserve Fund to the Affordable Housing Trust Fund on or before August 15, 2012.

(11) The State Treasurer shall transfer ten million dollars from the Cash Reserve Fund to the General Fund on or before June 30, 2013, on such date as directed by the budget administrator of the budget division of the Department of Administrative Services.

(12) The State Treasurer, at the direction of the budget administrator of the budget division of the Department of Administrative Services, shall transfer not to exceed forty-three million fifteen thousand four hundred fifty-nine dollars in total from the Cash Reserve Fund to the Nebraska Capital Construction Fund between July 1, 2013, and June 30, 2017.

(13) The State Treasurer, at the direction of the budget administrator of the budget division of the Department of Administrative Services, shall transfer three million six hundred thousand dollars from the Cash Reserve Fund to the General Fund on or before June 30, 2014.

Sec. 4. Original section 3-106, Reissue Revised Statutes of Nebraska, and section 84-612, Revised Statutes Supplement, 2013, are repealed.

Sec. 5. Since an emergency exists, this act takes effect when passed and approved according to law.